



Callie Gale Heilmann President & Co-Director Bridgeport Generation Now, Bridgeport, CT

SB 21 AN ACT CONCERNING A STATE-WIDE PROPERTY TAX ON CERTAIN RESIDENTIAL REAL PROPERTY SB 28 AN ACT ESTABLISHING A CAPITAL GAINS SURCHARGE SB 29 AN ACT CONCERNING THE EARNED INCOME TAX CREDIT

Good afternoon Senator Fonfara, Representative Scanlon, Senator Martin, Representative Cheeseman, my Senator, Senator Moore - and the distinguished members of the Finance, Revenue and Bonding Committee.

My name is Callie Gale Heilmann, I live in Bridgeport, CT, I am the President & Co-Director Bridgeport Generation Now - and a member of Recovery For All, a statewide coalition of faith, community, and labor organizations united to eliminate systemic inequalities and rebuild a better Connecticut.

Founded in 2016, Bridgeport Generation Now is a grassroots, resident-led organization with over 300 members. At Gen Now, we build collective power by strengthening civic engagement in ourselves and our communities, using the tools of community organizing to dismantle systemic racism and systemic corruption, so that we can build the just, equitable, and livable city we know is possible!

I am testifying on behalf of our membership in strong support of SB 21, SB 28 and SB 29. Economic relief - and the recovery we need - is more than a tax cut. We must pass progressive revenue so that we can sustainably and equitably fund the public services that the families of our state, and our children, need and deserve.

I want to tell you about our work at Gen Now, because it highlights the need for the state legislature and leaders from rural, suburban, and urban communities to come together, to roll up our sleeves and to get knee-deep in collective equity work.

For the past 6 years, members of Gen Now have testified at every single municipal budget meeting advocating for more money for our public schools and for special education, from our state and city government. We've testified at zoning commission hearings to try and protect green space. We testified at contracts committee meetings to try to get affordable housing set

aside in new development. We've lobbied for city-run mobile crisis intervention teams and more mental health and addiction support services. We've advocated for equitable ARP and COVID relief budgets. We do this work because it strengthens our community, we do it in service to those elders who came before us, and for our children who deserve a better future.

But why is it that Bridgeport - a city of 18 square miles, that is 70% Black and brown residents - is seemingly perpetually burdened with high property taxes, underfunded schools, high costs of housing, concentrated poverty, community gun violence, police violence, pollution, and other social injustices?

To answer this question, you either have to believe that the people of Bridgeport "get what they deserve" that it's somehow our fault, or reflective of our moral character - and if you harbor those beliefs I would ask that you take a long look in the mirror.

Or - you understand the truth. That our systems through laws and policies were designed this way, by approving economic practices that reinforce economic gains, inherited wealth, and opportunity hoarding for certain folks - predominantly white, high-wealth communities - at the expense of our working class communities of color.

And if you understand that through policy and law it was designed this way - then you understand that it can be **re-designed** to create different outcomes. SB 21, SB 28, and SB 29 are bills that start to reimagine our finances towards a more moral, more just future.

The 2014 state tax incidence analysis shows that the bottom 50% of Connecticut taxpayers contribute 23.6% of their income, whereas those in the top 1% contribute a mere 7.5%. That top 1% has continued to do very well since 2014. Since the start of the pandemic, Connecticut's 13 billionaires seized \$13.7 billion in additional wealth – adding on average \$1 billion each – while hundreds of thousands of working people, especially working people of color, saw their lives upended.

The ultra-wealthy have been allowed to rig the rules in their favor and profit from others' work while refusing to contribute at the same levels we all pay to fund schools, higher education, infrastructure, healthcare programs, and other vital public services upon which we all rely. This must stop. We must join together to create a sustainable recovery, but we can't do it alone on federal funds that will soon expire. The unmet need is too great.

SB 29 would begin a Recovery For All by providing immediate and permanent relief to those who need it most. It should be coupled with a child tax credit to help bring working families out of poverty and give them a fighting chance to make ends meet, provide for their children and save for a rainy day.

SB 21 and 28 would ask high income earners to share the responsibility of building a strong economy. They are important, common sense measures, but we should also raise marginal rates on households with incomes over \$1 million. That level of contribution will go a long way

to revitalizing and expanding programs and services that build equity. It would create a vibrant Connecticut where everyone can thrive.

Many low-wage earners are also essential workers who've been on the frontlines of the pandemic, treating our sick and keeping our economy moving. They deserve the pandemic hazard pay that the U.S. Treasury Department deemed an appropriate use of American Rescue Plan Act funds. The state of Connecticut has permission and the resources to recognize their sacrifices. We hope it will find the will.

Lastly, we should be asking mega-profitable corporations to do more. Increasing the current corporate income tax surcharge from 10% to 20% and increasing the business tax on corporations whose gross income is \$100 million or greater from 7.5% to 11.5%, would generate between \$250 million to \$300 million. Huge tech companies like Google, Facebook, and Amazon maximize their profits by surveilling, collecting, and reselling user data to target online advertising. A 10% tax on digital advertising on any company with income over \$10 billion would generate approximately \$140 million annually. Connecticut can be friendly to industry without shortchanging the people who have lived here for generations.

In closing, I would like to add that on a personal note, I am a high-wealth individual, both owning a high-value home in the Black Rock neighborhood of Bridgeport - and my husband's earnings come from the financial sector. We would most likely be affected by SB 21 and SB 28. Although I pay one of the highest mill rates in our state, I would happily pay 2 mills more if it meant the state was going to take seriously the problem of racial and economic segregation of our schools. I'm the third generation in my family to graduate from Hartford public high school, a child of Sheff v O'Niell, and I know the amount of money, effort, visionary leadership, and resources it is going to take to undo this morally repugnant system.

We can think of passing SB 21, SB 28, and SB 29 as reparations for the deep damage that systemic racism, classism, segregation, over-policing, and underfunding has done to Connecticut's Black, brown, low-income, and working class communities. Our humanity is bound together.

The scale of this crisis demands a bold response—people are suffering and our state has a responsibility to meet our needs. Addressing the unfairness of Connecticut's tax code is a good first step in this process. We have an unprecedented opportunity to stop the hurt so many families are feeling by funding essential services, reducing economic and racial inequality, and setting our state on a path to robust economic recovery by restoring fairness to our tax code. I urge the Committee to have the courage to make the right choice and pass SB 21, SB 28 and SB 29.

Thank you for your continued leadership and commitment,

Callie Gale Heilmann Bridgeport Generation Now